

IMPROPER PAYMENTS:

A GOVERNMENT-WIDE OVERVIEW, 2014 ESTIMATES,
AND REDUCTION STRATEGIES

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2015 CIGIE/GAO Financial Audit
Conference

Discussion Points

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- ❑ Improper payments definition and causes
- ❑ Laws and authoritative guidance
- ❑ Fiscal year 2014 improper payment estimates
- ❑ Annual Inspector General reviews and GAO reports
- ❑ Data matching
- ❑ What is needed going forward



What Are Improper Payments?

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- An improper payment is any payment that should not have been made or was made in an incorrect amount (including overpayments and underpayments).

- For example, improper payments include:
 - ▣ duplicate payments;
 - ▣ payments to ineligible recipients;
 - ▣ incorrect amounts paid; and
 - ▣ payments for which insufficient or no documentation was found.



Laws Related to Improper Payments

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- **The Improper Payments Information Act of 2002 (IPIA)**
 - ▣ Requires agencies to annually review programs, estimate improper payments, and report on actions to reduce them.
- **The Improper Payments Elimination and Recovery Act of 2010 (IPERA)** expanded on IPIA by:
 - ▣ Providing more guidance on risk assessment;
 - ▣ Requiring estimates to be statistically valid;
 - ▣ Lowering the threshold for programs that must perform recovery audits to \$1 million in annual outlays; and
 - ▣ Requiring IGs to annually determine compliance with key criteria listed in IPERA.



Laws Related to Improper Payments (Continued)

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- ❑ **The Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA) :**
 - Requires agencies to include all identified improper payments in the reported estimate, regardless of whether the improper payment in question has been or is being recovered;
 - Requires OMB to determine current and historical rates of recovery of improper payments, as well as targets for improper payment recovery; and
 - Gives statutory authority for the Do Not Pay Initiative.



Laws Related to Improper Payments (Continued)

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□ **IPERIA (Continued):**

- Amends IPIA to require OMB to annually designate a list of “high-priority programs,” which will be subject to additional reporting requirements and oversight by agency Inspectors General
- Clarifies that payments to federal employees are subject to IPIA risk assessment and, where appropriate, improper payment estimation



Laws Related to Improper Payments (Continued)

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- ❑ **The Disaster Relief Appropriations Act of 2013**
 - Provided approximately \$50 billion, before sequestration, to select federal agencies for expenses related to the consequences of Hurricane Sandy.
 - Requires that all funds provided through the act be deemed “susceptible to significant improper payments.”
 - Thus, agencies must estimate improper payments for all funding received through the act.

Guidance Related to Improper Payments

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□ OMB Memorandum M-15-02

- In October 2014, OMB issued a revised Appendix C to Circular No. A-123, *Requirements for Effective Estimation and Reduction of Improper Payments*.
- This guidance consolidated and streamlined reporting requirements, provided guidance to strengthen the statistical validity of improper payment estimates, and introduced a new internal control framework related to improper payments.
- OMB's revised guidance also directs agencies to report on the causes of improper payments using more detailed categories than previously required, such as program design issues or administrative errors at the federal, state, or local agency level.

Fiscal Year 2014 Improper Payment Estimates

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- OMB and federal agencies reported improper payment estimates totaling **\$124.7 billion** in fiscal year 2014 (excluding the DFAS Commercial Pay program), an increase of approximately **\$19 billion** from the prior year revised estimate of \$105.8 billion.
- The fiscal year 2014 improper payment estimate for the DFAS Commercial Pay program may not be reliable because DOD reported that it cannot demonstrate that all payments subject to improper payment estimation requirements were included in the population of payments for review.

	Fiscal Year 2014	Fiscal Year 2013
<u>Excluding</u> DFAS Commercial Pay	4.5 percent / \$124.7 billion	4.0 percent / \$105.8 billion
<u>Including</u> DFAS Commercial Pay	4.0 percent / \$124.7 billion	3.5 percent / \$105.9 billion



Fiscal Year 2014 Improper Payment Estimates (Continued)

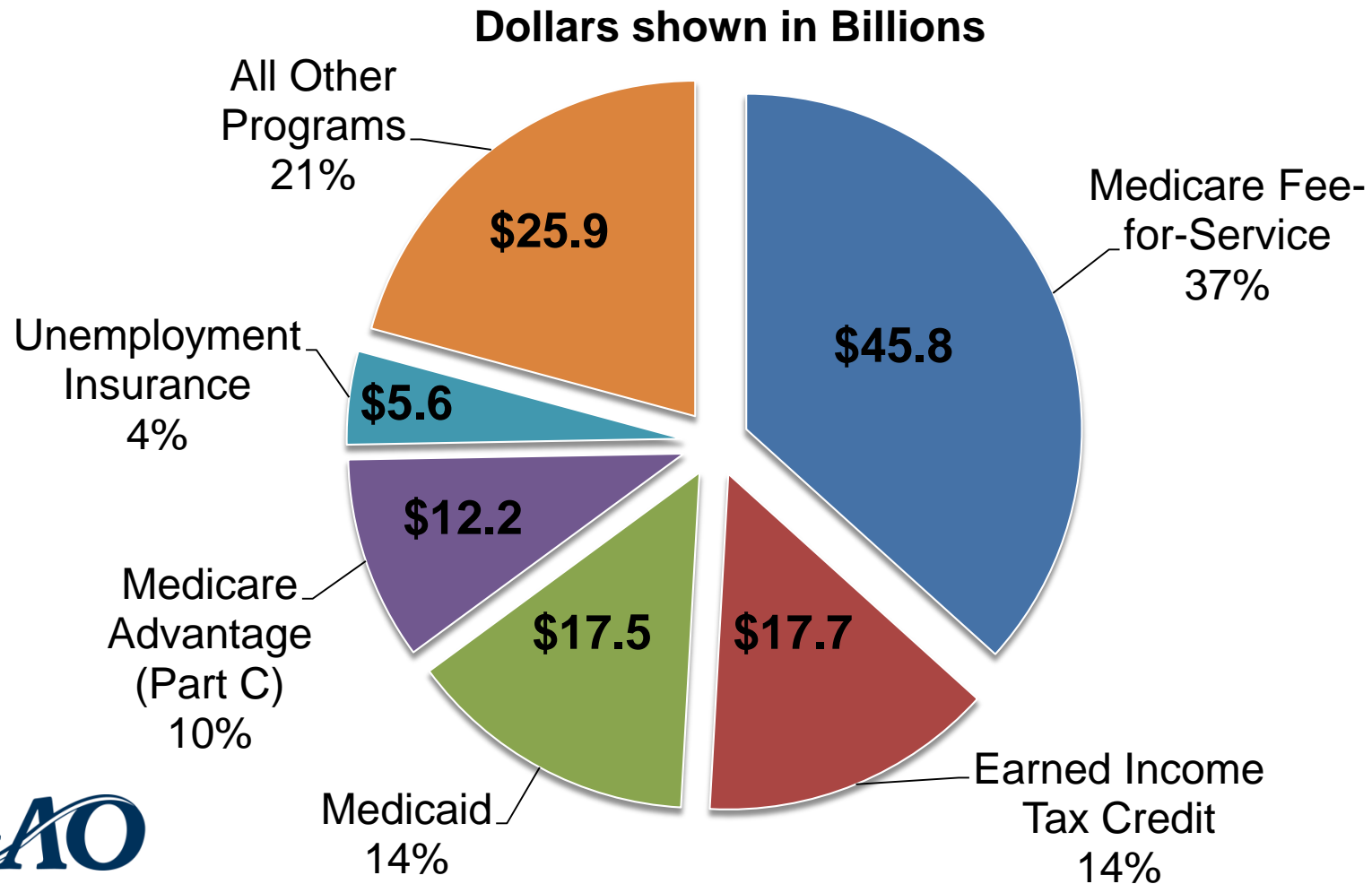
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- The \$124.7 billion (excluding DFAS commercial pay) in estimated federal improper payments reported for fiscal year 2014 was attributable to **124 programs** across **22 agencies**.
- The 5 programs with the highest dollar estimates accounted for about \$98.8 billion, or 79% of the total estimated improper payments agencies reported for fiscal year 2014.
- The 5 highest error rates reported for fiscal year 2014 ranged from 15.3% to 27.2%.



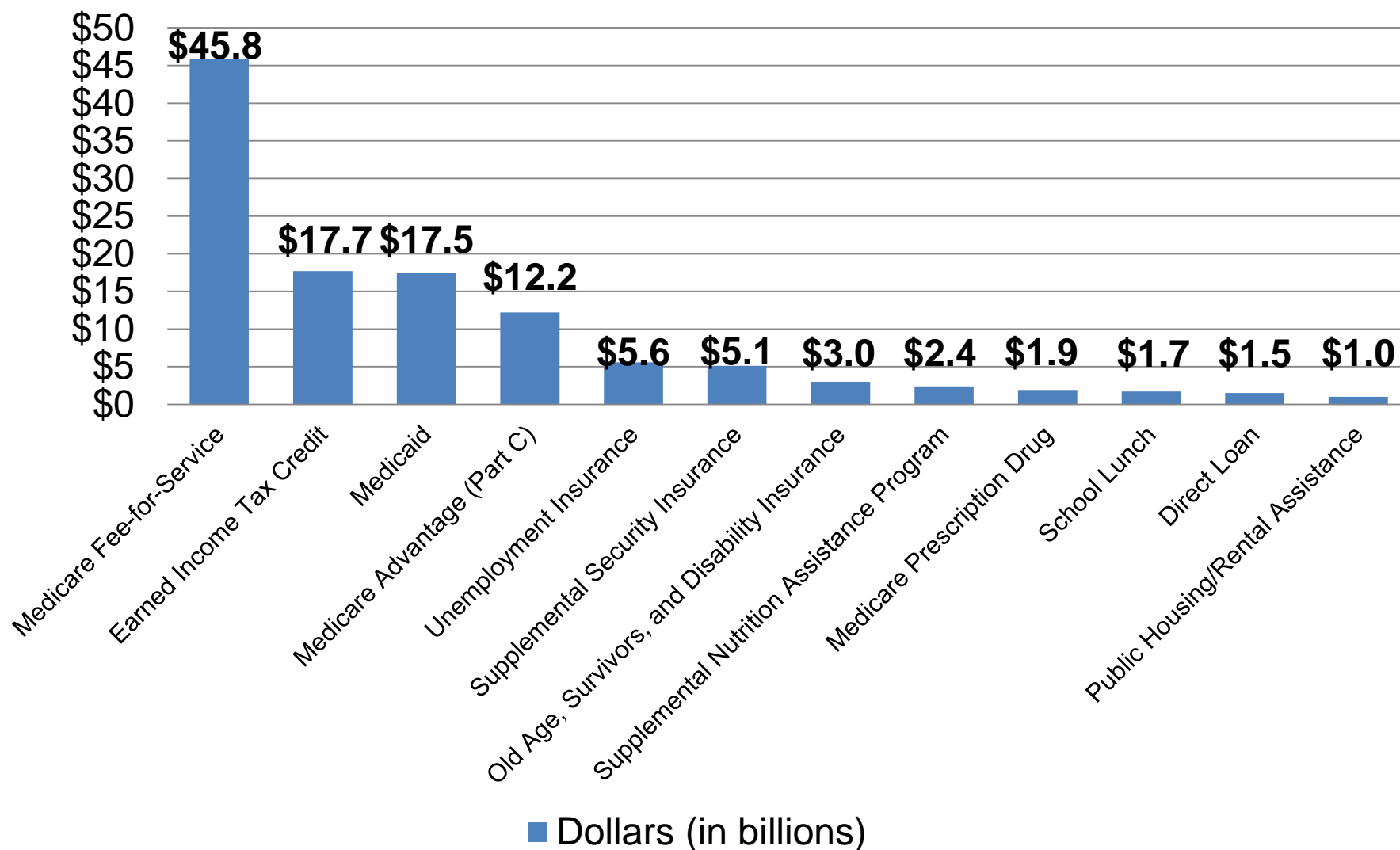
Fiscal Year 2014 Improper Payment Estimates – Program Distribution

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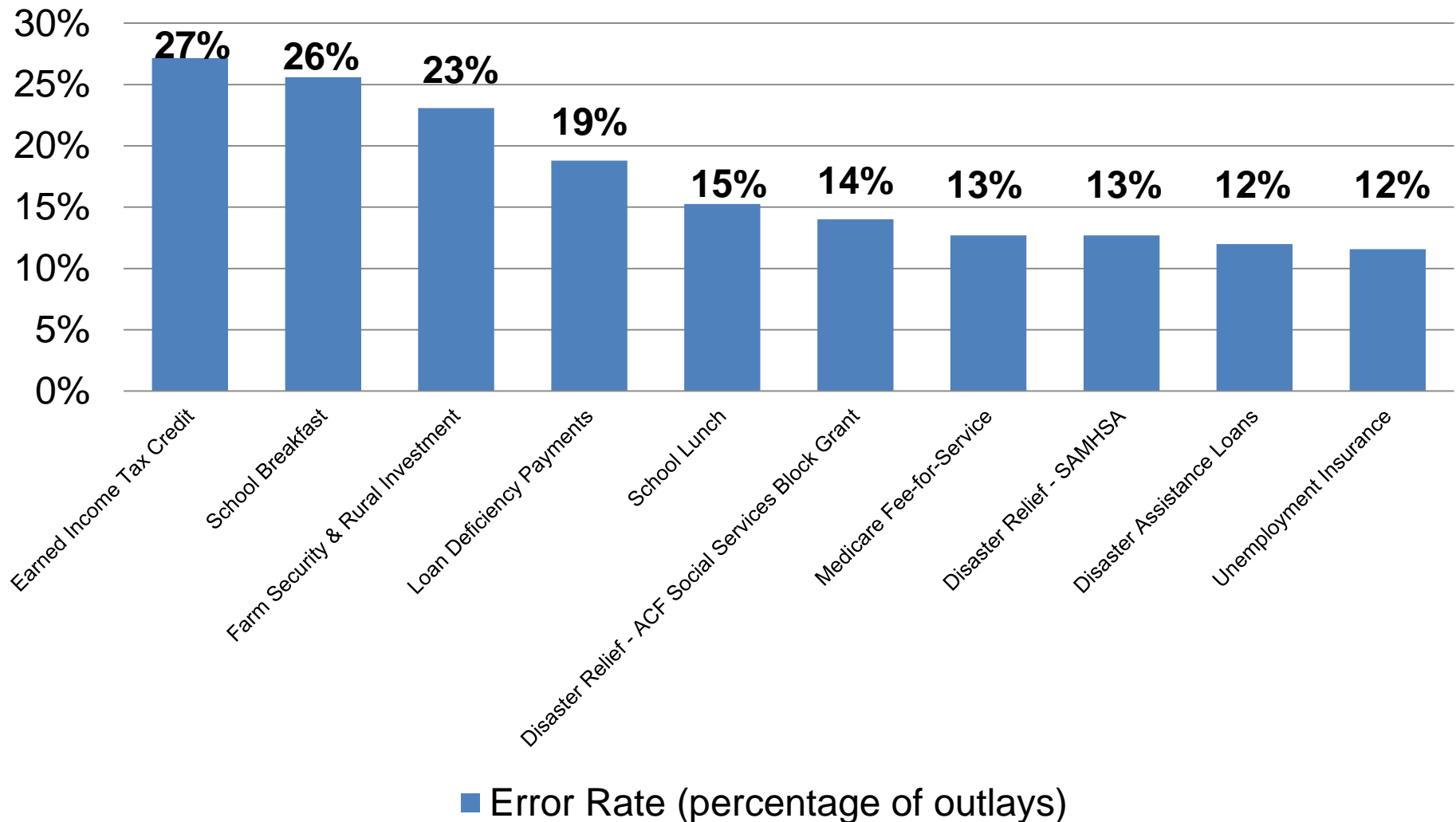
Programs with Improper Payment Estimates Exceeding \$1 Billion in Fiscal Year 2014

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Fiscal Year 2014 Improper Payment Estimates – Top 10 by Error Rates

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Fiscal Year 2014 Improper Payment Estimates (Continued)

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- Specific programs included in the government-wide improper payment estimate may change from year to year. A net of 40 additional programs were included in the fiscal year 2014 estimate when compared to fiscal year 2013.
 - Most of these 40 additional programs pertain to funds received under the Disaster Relief Appropriations Act, 2013.



Fiscal Year 2014 Improper Payment Estimates (Continued)

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- \$16 billion of the estimated \$19 billion increase in fiscal year 2014 is attributed primarily to increased error rates in three major programs:
 - HHS's Medicare Fee-for-Service (from 10.1% to 12.7%)
 - HHS's Medicaid (from 5.8% to 6.7%)
 - Treasury's Earned Income Tax Credit (from 24.0% to 27.2%)



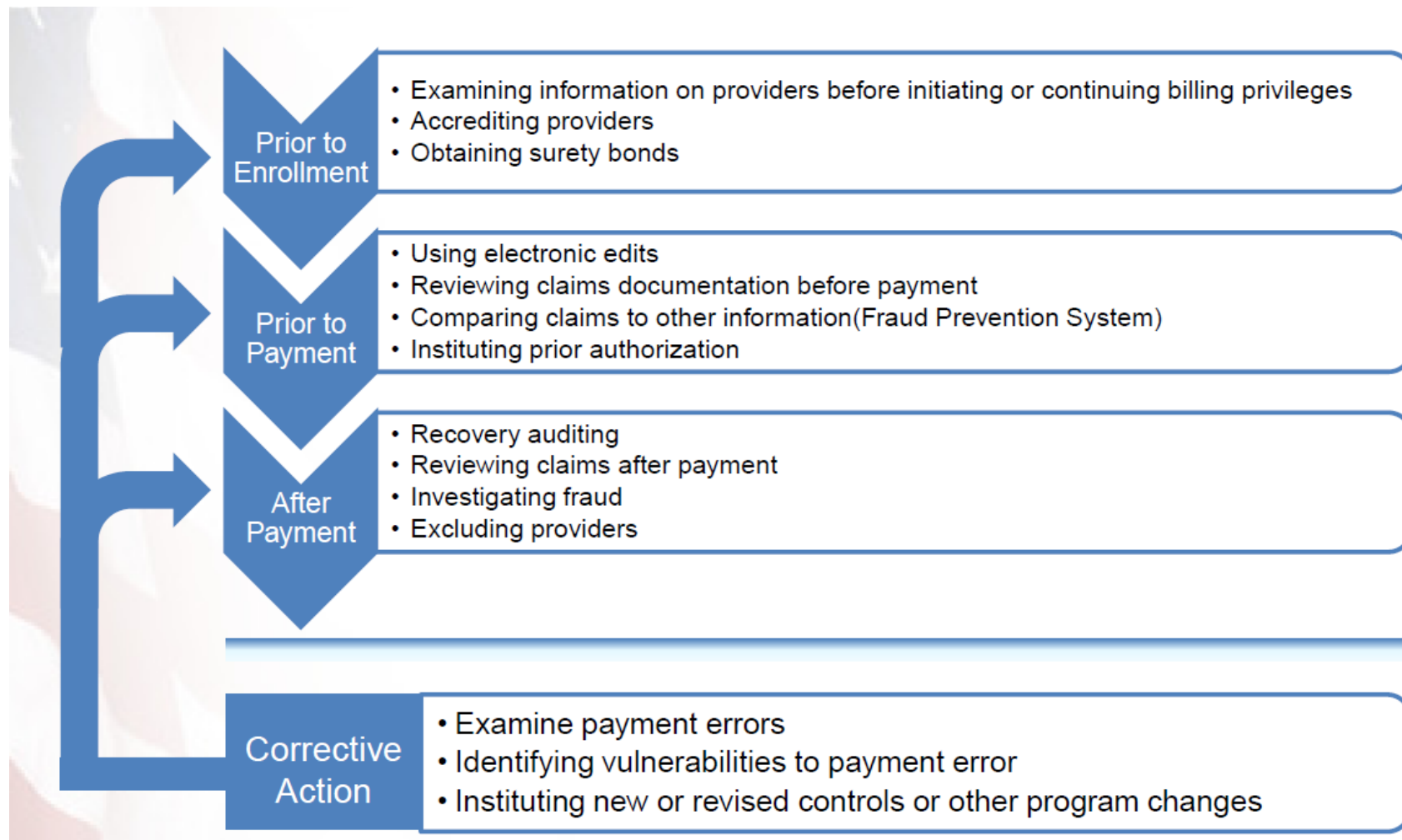
Medicare

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- ❑ **In fiscal year 2014, CMS reported an estimated \$60 billion in Medicare improper payments.**
- ❑ GAO has issued recommendations that could help reduce Medicare improper payments.

Strategies That May Help Reduce Medicare Fee-For-Service Improper Payments

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Reducing Medicare Improper Payments

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- **Improving use of automated edits**
 - ▣ The Centers for Medicare & Medicaid Services (CMS) use edit controls to approve or deny claims or flag them for further review.
 - ▣ **GAO recommended** that CMS require Medicare administrative contractors to:
 - **Share information** about the underlying policies and savings related to their most effective edits and
 - **Improve automated edits** that assess all quantities provided to the same beneficiary by the same provider on the same day, so providers cannot split services across multiple claims to avoid limits for the amount of services under normal medical practice.

Reducing Medicare Improper Payments (Continued)

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- **Monitoring post payment claims reviews**
 - ▣ CMS uses four types of contractors to conduct postpayment claims reviews to identify improper payments.
 - **CMS had different review requirements** across the four contractor types.
 - **CMS did not have reliable data or sufficient oversight and guidance** to measure and fully prevent duplicative postpayment claims reviews.
 - ▣ **GAO recommended** that CMS reduce differences between contractor postpayment review requirements, when possible, and monitor the database used to track recovery audit activities to ensure that all data were submitted, accurate, and complete.

Reducing Medicare Improper Payments (Continued)

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- **Removing Social Security numbers from Medicare cards**
 - The health insurance claims number on Medicare beneficiaries' cards includes the Social Security number of the beneficiary increasing the risk that the beneficiary could be subjected to identify theft.
 - For the agency to efficiently and cost-effectively identify, design, develop, and implement a solution to address this issue, **GAO recommended** that CMS direct the initiation of an IT project for identifying, developing, and implementing changes to be made to CMS's affected systems.

Reducing Medicare Improper Payments (Continued)

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- **Implementing actions authorized by the Patient Protection and Affordable Care Act (PPACA)**
 - PPACA provides CMS with certain authorities to combat fraud, waste, and abuse in Medicare.
 - GAO reported in February 2015, that CMS should fully exercise its PPACA authority related to strengthening its provider and supplier enrollment provisions.

Medicaid

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- ❑ **In fiscal year 2014, CMS reported approximately \$17.5 billion in Medicaid improper payments.**
- ❑ GAO has issued recommendations that could help reduce Medicaid improper payments.

Reducing Medicaid Improper Payments (Continued)

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- **Improving third-party liability efforts**
 - ▣ Medicaid is the health care payer of last resort.
 - If enrollees have another source of health care coverage, that source should pay, to the extent of its liability, before Medicaid.
 - States have reported challenges working with private insurers, including willingness to release coverage information to states and denying claims for procedural reasons.
 - ▣ **GAO recommended** actions that could help improve cost-saving efforts in this area, such as monitoring and sharing information on third-party liability efforts and challenges across all states and providing guidance to states on oversight of third-party liability efforts related to Medicaid managed care plans.

Reducing Medicaid Improper Payments (Continued)

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□ Increasing oversight of managed care

- Medicaid finances the delivery of health care services to beneficiaries through fee-for-service payments to participating providers and capitated payments to managed care organizations.
 - **Most Medicaid beneficiaries are in managed care, and managed care expenditures have been growing at a faster rate than fee-for-service.**
- In May 2014, GAO reported that most state and federal program integrity officials interviewed did not closely examine managed care payments, focusing on fee-for-service claims instead.
- **GAO recommended** that CMS require states to conduct audits of payments to and by managed care organizations, update managed care guidance on program integrity practices, and provide states with further support in overseeing managed care program integrity.

Reducing Medicaid Improper Payments (Continued)

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- **Strengthening program integrity**
 - ▣ CMS has taken positive steps to oversee program integrity efforts, including implementing certain recommendations made by GAO.
 - ▣ CMS needs to take action to address issues that have not been fully implemented, such as:
 - Improving reporting of key data,
 - Strengthening its efforts to calculate return on investment for its program integrity efforts, and
 - Using knowledge gained from its comprehensive reviews of states to better focus audit resources and improve recovery of improper payments.

Earned Income Tax Credit

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- ❑ In fiscal year 2014, IRS reported an estimated \$17.7 billion in EITC improper payments.
- ❑ GAO has recommended matters for congressional consideration or executive actions that could help reduce EITC improper payments.

Reducing Earned Income Tax Credit Improper Payments

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□ **Regulating paid tax preparers**

- In August 2014, IRS reported that 68% of all tax returns claiming the EITC in tax years 2006 and 2007 were prepared by paid tax preparers and that 43-50% of the returns overclaimed the credit.
- Establishing requirements for paid tax return preparers could improve the accuracy of the tax returns.
 - In 2010 IRS initiated steps to regulate certain preparers through testing and education requirements, however, the courts ruled that IRS lacked such regulatory authority.
- In 2014, GAO suggested that Congress consider granting the IRS the authority to regulate paid tax preparers.

Reducing Earned Income Tax Credit Improper Payments (Continued)

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□ **Accelerating W-2 filing deadlines**

- IRS has reported that Earned Income Tax Credit improper payments are a mix of unintentional mistakes, such as misreporting income, and fraud.
 - IRS estimates that it paid \$5.8 billion in fraudulent identity theft refunds during the 2013 filing season.
- IRS issues most refunds months before receiving and matching information returns, such as the W-2 “Wage and Tax Statement,” to tax returns.
 - Treasury recently proposed to Congress that the W-2 deadlines be moved to January 31 to better enable detection of noncompliance.
- In August 2014, GAO recommended that IRS estimate the cost and benefits of options to implement pre-refund matching using W-2 data.

Reducing Earned Income Tax Credit Improper Payments (Continued)

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□ **Broadening math error authority**

- IRS has statutory authority—called math error authority—to correct certain errors, such as calculation mistakes or omitted or inconsistent entries, during tax return processing of EITC claims.
 - According to the Treasury IG for Tax Administration, additional IRS authority to systematically disallow certain erroneous EITC claims with unsupported wages could reduce improper payments.
- Treasury has proposed expanding IRS authority to permit it to correct errors in cases where information provided by the taxpayer does not match information in government databases.
- Expanding such authority—which at various times GAO has suggested Congress consider—could help IRS correct additional errors and avoid burdensome audits and taxpayer penalties.

Other Issues

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- ❑ **Not all susceptible programs reported improper payment estimates in fiscal year 2014**
 - ▣ Four programs were not included:
 - HHS's Temporary Assistance for Needy Families (TANF) - \$16 billion in program outlays
 - DHS's Customs and Border Protection Administratively Uncontrollable Overtime
 - DHS's Port Security Grants
 - DHS's Federal Emergency Management Agency Vendor Pay
- ❑ **One susceptible program was not included in the government-wide estimate for fiscal year 2014, as its estimation methodology was not approved by OMB.**



Annual Inspector General Reviews under IPERA

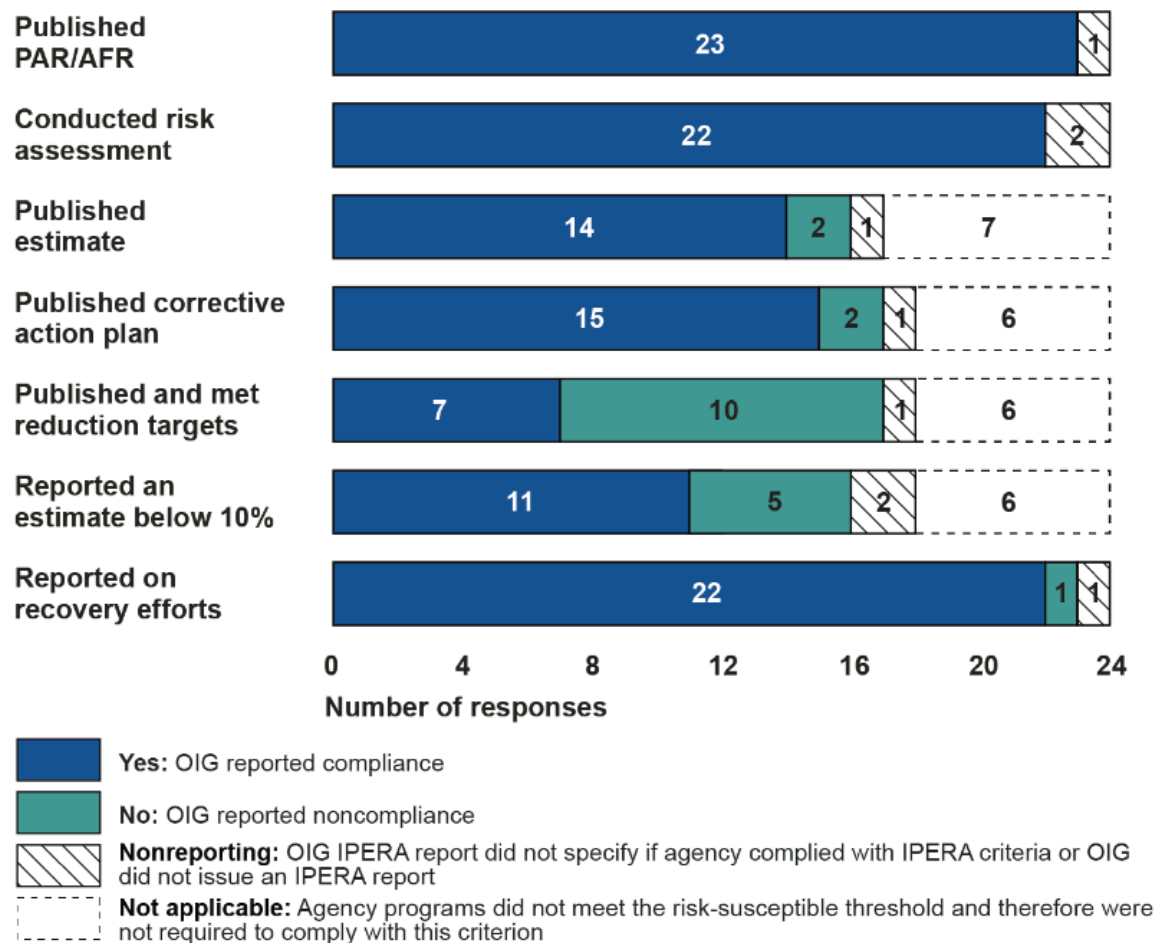
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- Beginning with fiscal year 2011, IPERA required IGs to annually assess and report on their agencies' compliance with criteria listed in the law.
- Per OMB guidance, IGs are required to issue the report within 180 days of the agency's annual PAR/AFR publication.
- For agencies that have high-priority programs, the agency IG should:
 - ▣ Evaluate the agency's risk assessment and quality of improper payment estimates and methodology,
 - ▣ Determine the extent of oversight warranted, and
 - ▣ Provide the agency head with recommendations.



Fiscal Year 2013 CFO Act Agencies' Overall Compliance by IPERA Criterion, as Reported by Their IGs

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AFR: Agency financial report CFO: Chief financial officer

IPERA: Improper Payments Elimination and Recovery Act of 2010 OIG: Office of inspector general

PAR: Performance and accountability report

Annual Inspector General Reviews under IPERA (Continued)

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- **In their annual reports, various IGs reported other deficiencies for fiscal year 2014 at their respective federal entities, including:**
 - ▣ estimation methodologies that may not produce reliable estimates and
 - ▣ risk assessments that may not accurately assess the risk of improper payment.



Major Programs Noncompliant with Improper Payment Requirements for 3 Consecutive Years

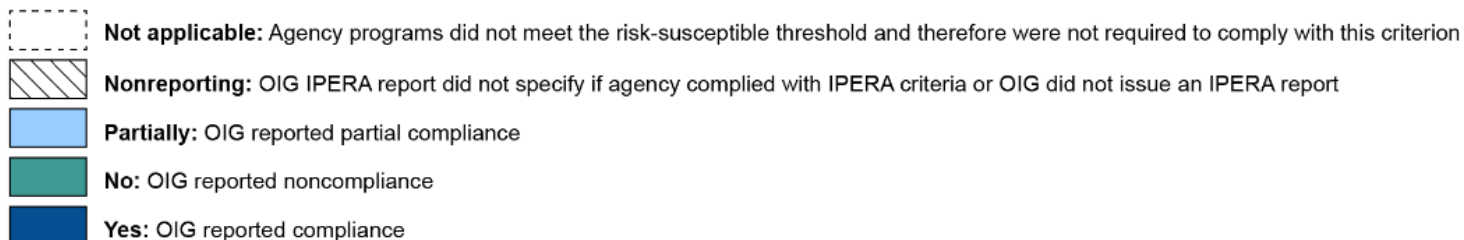
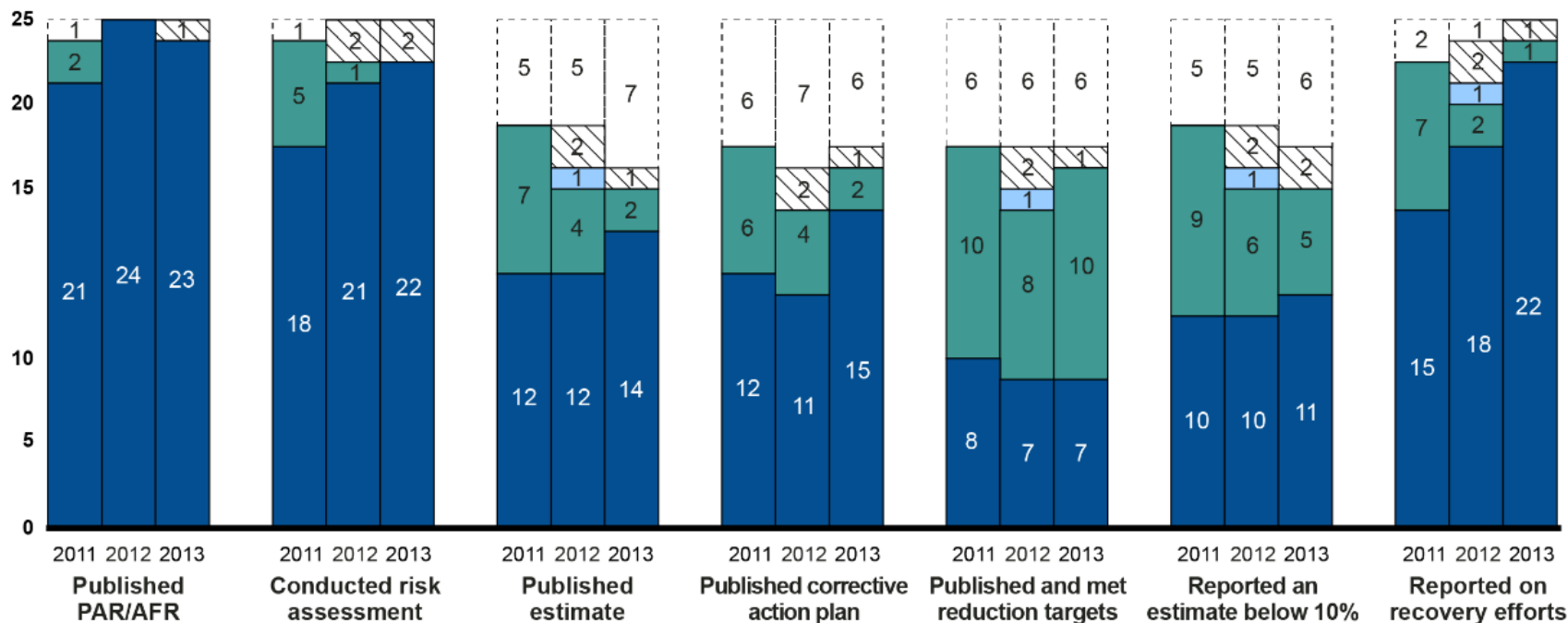
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- In December 2014, GAO found that the most common instances of noncompliance as reported by the IGs related to two criteria:
 - Publishing and meeting improper payment reduction targets and
 - Reporting a gross improper payment rate of less than 10 percent.

CFO Act Agency Compliance Under IPERA, as Reported by Their IGs (Fiscal Years 2011-2013)

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Number of agencies



AFR: Agency financial report CFO: Chief financial officer IPERA: Improper Payments Elimination and Recovery Act of 2010 OIG: Office of inspector general
PAR: Performance and accountability report

Major Programs Noncompliant with Improper Payment Requirements for 3 Consecutive Years (Continued)

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- In March 2015, GAO reviewed IG reports and agency PARs or AFRs and identified 5 programs with improper payment estimates greater than \$1 billion that have been noncompliant with at least one of these criteria for 3 consecutive years.

Major Programs Noncompliant with Improper Payment Requirements for 3 Consecutive Years (Continued)

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Program	Agency	Did not publish or meet reduction target			Reported error rate greater than or equal to 10 percent		
		2012	2013	2014	2012	2013	2014
Medicare Fee-for-Service	Health and Human Services	X	X	X		X	X
Earned Income Tax Credit	Treasury	X	X		X	X	X
Unemployment Insurance	Labor	X	X	X	X		X
Supplemental Security Income	Social Security Administration	X	X	X			
School Lunch	Agriculture		X		X	X	X

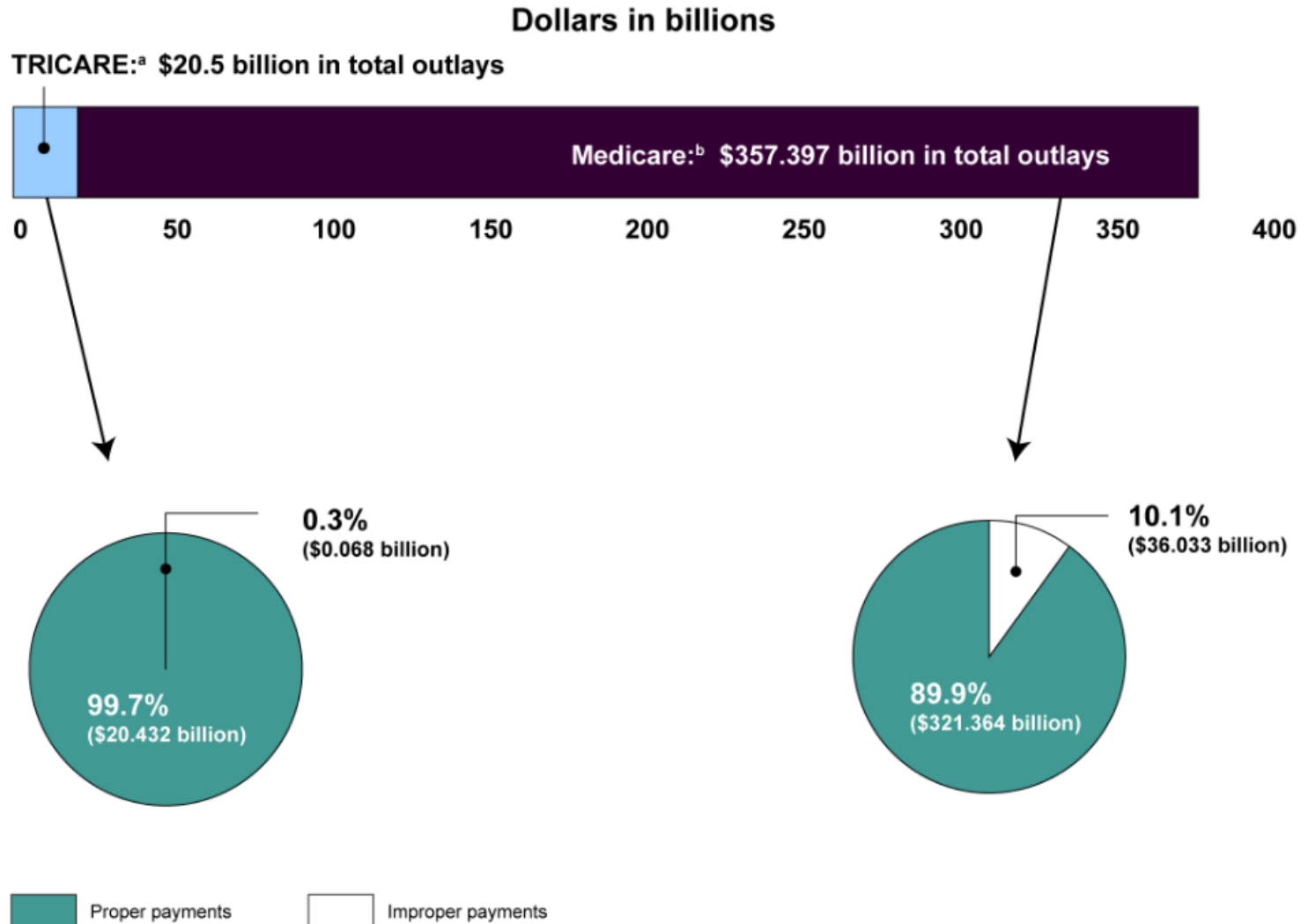
TRICARE and Medicare Improper Payment Measurement Methodologies

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- GAO recently reported on weaknesses in improper payment estimating methodologies for DOD's TRICARE program.
 - The Defense Health Agency (DHA) uses a methodology for measuring TRICARE improper payments that is less comprehensive than the methodology used to measure improper payments in Medicare.
 - **DHA did not examine medical records to support each payment.**
 - TRICARE's methodology is likely to understate its improper payment rate compared to Medicare's methodology.
- Without a robust measure of improper payment rates in the TRICARE program, DHA cannot effectively identify root causes and take steps to address practices that contribute to improper payments and excess spending.

TRICARE and Medicare Outlays and Estimated Improper Payments, Fiscal Year 2013

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Examples of Information Verified by TRICARE and Medicare Improper Payment Measurement Methodologies

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Type of information reviewed	Verified by measurement methodology	
	TRICARE	Medicare
Contractor claims processing review		
Beneficiary eligibility for services	●	●
Claim was properly executed (e.g., appropriate provider or beneficiary signatures on the claim)	●	●
Services indicated on claim were an appropriate program benefit	●	●
Procedure code reflects diagnosis and information on claim	●	●
Other insurance liability reflected in payment	●	●
No duplicate payments in claim history	●	●
Correct pricing and cost sharing used to calculate payment	●	○
Medical record review		
Evidence of medical necessity—medical record supports that services paid were medically necessary	○	●
Verification of correct coding—medical record supports that correct procedure and diagnosis codes were used	○	●
Documentation of provider services—provider has documentation to support the services claimed	○	●

Legend: ● = Measurement methodology verifies, ○ = Measurement methodology does not verify

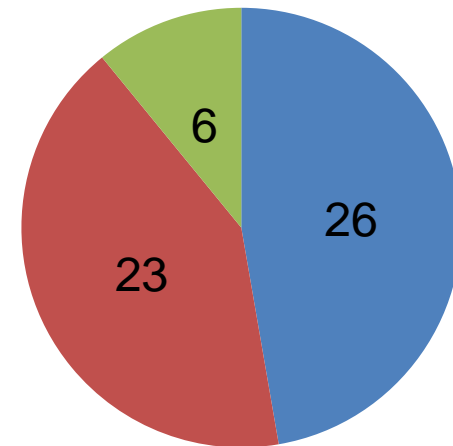
Source: GAO analysis of Defense Health Agency and Centers for Medicare & Medicaid Services information. | GAO-15-269

DOE's Risk Assessments Should Be Strengthened

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- Based on GAO's evaluation of the DOE's fiscal year 2011 risk assessment process:
 - ▣ DOE did not prepare risk assessments for all programs, and the quantitative information reported was not reliable;
 - ▣ DOE's risk assessments did not always include a clear basis for the risk determination; and
 - ▣ DOE's risk assessments did not fully evaluate other relevant risk factors.
- Because DOE found its programs to be at low risk for significant improper payments in fiscal year 2011, the department was not required to prepare risk assessments again until fiscal year 2014.

DOE Programs that Prepared Risk Assessments in 2011



■ Did Not Prepare Risk Assessment

■ Prepared Risk Assessment

■ Prepared Risk Assessment, but did not take into account the 8 qualitative risk factors

DOE's Risk Assessments Should Be Strengthened

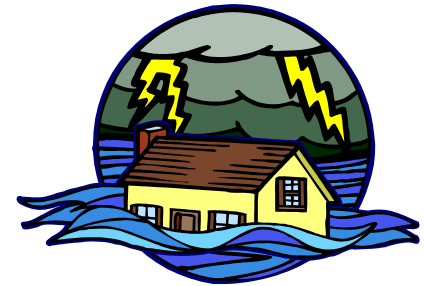
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- GAO has issued recommendations that could help improve DOE's ability to assess the risk of improper payments:
 - ▣ direct field office sites responsible for non-management and operating contractor risk assessments to address risk factors at those sites;
 - ▣ clarify how payment sites are to address risk factors and document the basis for their risk rating determinations;
 - ▣ clarify who is responsible at DOE for reviewing and approving risk assessments for consistency across sites;
 - ▣ provide specific examples of other risk factors that present inherent risks likely to contribute to significant improper payments, in addition to the eight risk factors, and direct payment sites to consider those when performing their risk assessments; and
 - ▣ take steps to ensure implementation of the above.

Disaster Relief Improper Payments

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- In February 2015, GAO reported that agencies needed to improve policies and procedures for estimating improper payments related to disaster relief.



Disaster Relief Improper Payments (Continued)

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- GAO reviewed the Departments of Homeland Security, Housing and Urban Development, and Transportation; the U.S. Army Corps of Engineers; and the Small Business Administration, which collectively received approximately 94% of the DRAA funds.
- The agencies used a variety of approaches to estimate and report improper payments related to DRAA funding, specifically, regarding estimate presentation, estimate methodology, and time period of estimate.

Disaster Relief Improper Payments (Continued)

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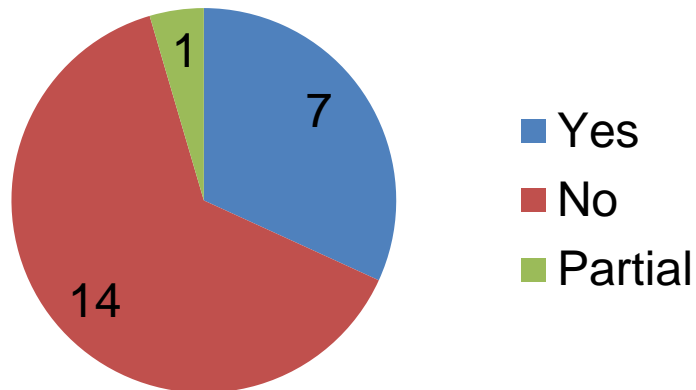
- The agencies had developed policies and procedures for estimating improper payments for 21 of 22 programs, however, they did not address numerous key requirements for these estimates.
- **The most common deficiencies GAO identified** in the selected agencies' policies and procedures included a lack of requirements to:
 - **validate the populations of transactions before selecting the samples used to estimate improper payments and**

Disaster Relief Improper Payments (Continued)

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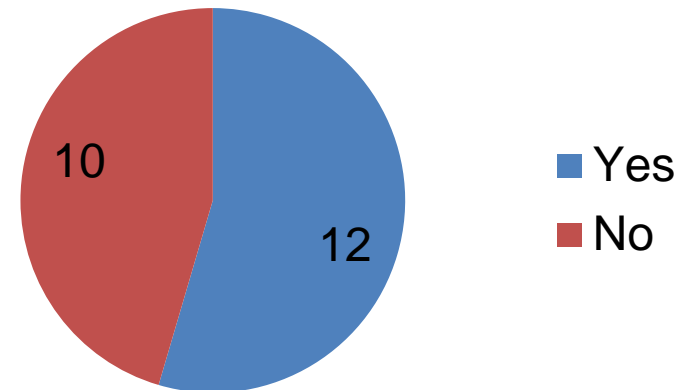
Key Requirement:

Did the policies and procedures require the agency to maintain sufficient documentation to support improper payment estimates?



Key Requirement:

Did the policies and procedures include steps to assess the completeness of the population used for selecting the samples...



What Can Be Done? – Data Matching

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- Proactively preventing improper payments increases public confidence in the administration of benefit programs and avoids the difficulties associated with the “pay and chase” aspects of recovering overpayments.
- One example of preventative controls is up-front eligibility verification through data sharing.

Do Not Pay Initiative

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- One example of data sharing is agencies' use of the Do Not Pay (DNP) initiative. DNP is a web-based, centralized data-matching service that allows agencies to review multiple databases to determine a recipient's award or eligibility prior to making payments.
 - 6 databases are required to be included in the DNP initiative:
 1. **Social Security Administration's (SSA) *Death Master File***
 2. **General Service Administration's System for Award Management Exclusion Records (formally the *Excluded Parties List System*)**
 3. **Department of Treasury's *Debt Check Database***
 4. **HHS IG's *List of Excluded Individuals/Entities***
 5. **Department of Housing and Urban Development's *Credit Alert System***

Do Not Pay Initiative (Continued)

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- The Do Not Pay Business Center was developed with a two part mission in mind for programs administered or funded by the federal government:
 - Help prevent, reduce, and stop improper payments while protecting citizens' privacy
 - Partner with agencies to identify potential fraud, waste, and abuse while protecting citizens' privacy

Do Not Pay Initiative (Continued)

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When to Match: At time of eligibility determination

User submits data for entities under consideration and receives matching results.

Pre-award

- Verify award eligibility

Pre-payment

- Re-verify or monitor eligibility for payments
- Research matches

When to Match: Periodic point in the business process

User submits data for entities receiving / monitoring payments and receives matching results.

When to Match: Post-Payment

Analytics analyzes the data and trends and provides reports to support agency investigations and recovery efforts.

Post-Payment

- Analyze data and trends
- Conduct reporting
- Implement corrective action

At Time of Payment

- Review matches from payment integration

When to Match: At time of payment

Within the Portal, the user will be able to adjudicate the reports from Treasury and conduct research.

Data Matching Efforts

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- ❑ Sharing information can help prevent improper payments, but inaccuracies in shared data could adversely affect their usefulness in helping agencies prevent improper payments.
- ❑ For example, GAO has found that SSA faces challenges in maintaining accurate death data, and other federal agencies face challenges in accessing these data.

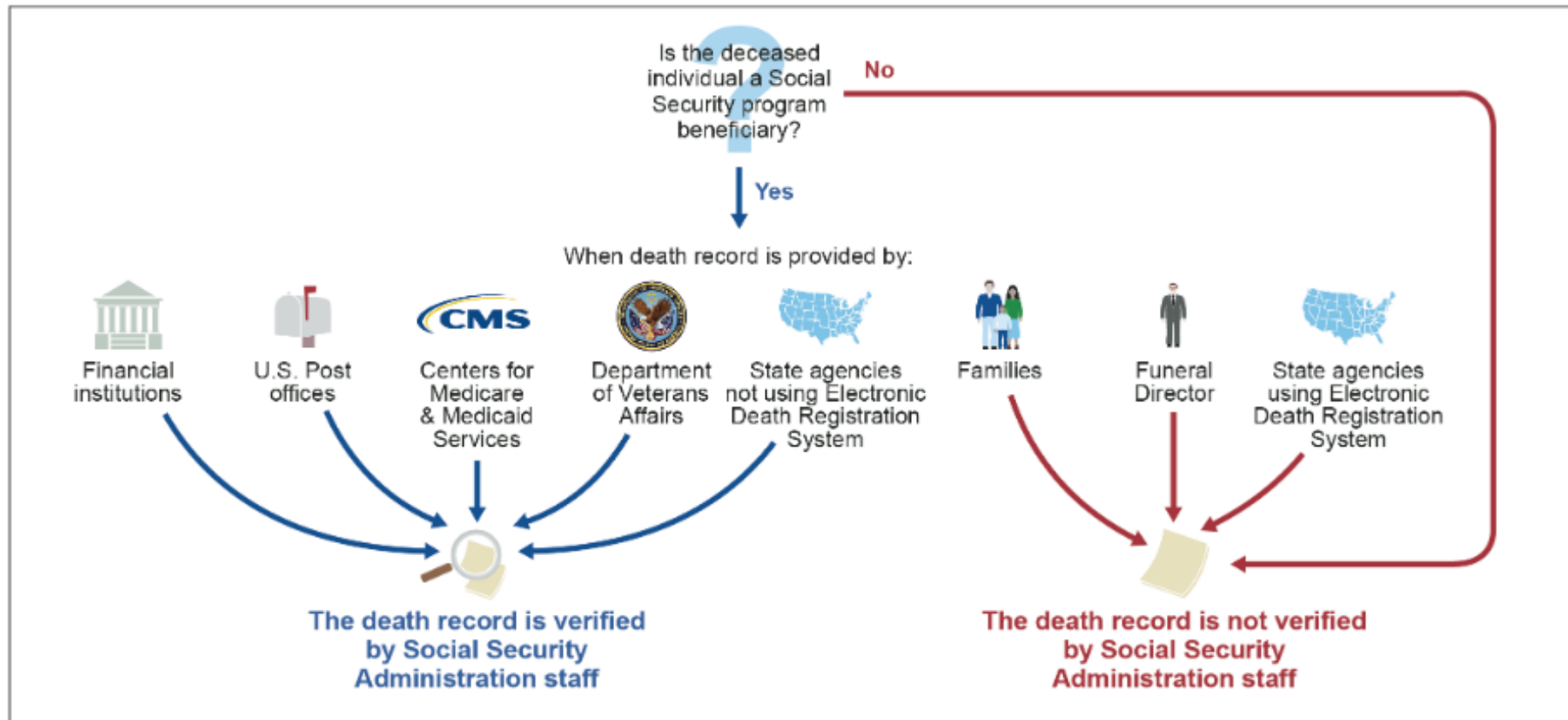
Improving the Accuracy and Completeness of Death Data

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- In November 2013, GAO reported on errors and issues found with SSA's death file data:
 - ▣ SSA did not independently verify all reports before including them in its death records.
 - ▣ Death reports that did not match the information in SSA's Numident (SSA's database of all SSN-holders) were not included in SSA's death data.
 - ▣ SSA did not perform additional reviews of reports of deaths that occurred years or decades in the past.

SSA's Death Report Verification Procedures

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Errors in Death Data

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- In November 2013, GAO reported on instances of potentially erroneous information in SSA's death file data:
 - **Records where date of death preceded the individual's recorded date of birth.**
 - Records where date of death was prior to 1936 – the year Social Security numbers were first issued – although the decedents had Social Security numbers assigned to them.
 - **Records that showed recorded age of death between 115 and 195.**

Ensuring Appropriate Agency Access to Death Data

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- Agencies receiving access to the full death file must make a formal request and have agreements in place with SSA outlining the data-sharing arrangement.
 - In November 2013, GAO found that SSA lacked written guidelines for determining whether agencies are eligible to access the full death file.
 - Without written guidance for explaining SSA's criteria for approving or denying agencies' requests for the full death file, potential recipient agencies may not know whether they are eligible.
- The publicly available Death Master File is less complete than SSA's full death file because state-reported deaths are removed.

Looking Forward

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- With outlays for major programs, such as Medicare and Medicaid, expected to increase over the next few years, it is critical that actions are taken to reduce improper payments.

What is Needed

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- **A number of strategies across government could help to reduce improper payments, including:**
 - ▣ conducting detailed root cause analyses;
 - ▣ designing and implementing strong preventive controls; and
 - ▣ implementing effective detection controls to quickly identify and recover improper payments.

- **How will these strategies help?**



What is Needed (Continued)

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- Robust root cause analyses can help agencies target effective corrective actions.
 - OMB developed new improper payment categories for fiscal year 2015 reporting and beyond. These categories were developed to lead to more effective corrective actions at the program level and more focused strategies for reducing improper payments at the government-wide level.
 - Examples include:
 - Program design or structural issues
 - Inability to authenticate eligibility
 - Failure to verify data (death data, financial data, etc)
 - Administrative or process errors
 - Medical necessity
 - Insufficient documentation

What is Needed (Continued)

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- **Designing and implementing strong preventive controls can serve as a frontline defense against improper payments.**
 - ▣ These controls can include:
 - upfront validation of eligibility through data sharing,
 - predictive analytic technologies,
 - training programs, and
 - program design review and refinement.

What is Needed (Continued)

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- ❑ **Designing and implementing effective preventive controls (continued)**
 - ▣ The Centers for Medicare & Medicaid Services (CMS) utilizes predictive analytic technologies to analyze Medicare Fee-for-Service provider networks, billing patterns, and beneficiary utilization patterns and detect those that represent a high risk of fraudulent activity.
 - ▣ The Department of Homeland Security reported in its FY 2014 AFR that it provided training programs for staff to help ensure that payments with insufficient documentation are rejected before payments are made.
 - ▣ CMS has conducted a program design review and refinement in which it strengthened standards and procedures for provider enrollment to help reduce the risk of fraud and abuse.

What is Needed (Continued)

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- **Implementing effective detective controls to identify and recover overpayments**
 - ▣ These controls can include
 - data mining,
 - recovery auditing, and
 - incentives.

What is Needed (Continued)

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- ❑ **Implementing effective detective controls to identify and recover overpayments (continued)**
 - CMS has established One Program Integrity, a web-based portal used for data mining to provide staff and contractors with a single source of access to Medicare and other data to help detect improper payments and analyze those data.
 - In its 2014 AFR, HHS reported that the Medicare Fee-for-Service recovery audit program recovered \$2.4 billion in overpayments by the end of the fiscal year.
 - Another area for further exploration is the broader use of incentives and penalties to states to implement effective preventive and detective controls and to help ensure adherence to performance standards.

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Questions?